



FIGHTING FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS

May 30, 2025



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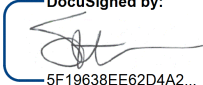
Approval and Attestation

The Prince Rupert Port Authority (PRPA) is subject to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) and as a government institution within the definition of the Act, must report on steps taken to reduce and mitigate risks associated with forced labour and child labour in its supply chains.

The stated purpose of the Act is to implement Canada’s international commitment to contribute to the fight against forced labour and child labour through the imposition of reporting obligations on government institutions and entities producing, purchasing, or distributing goods in Canada or elsewhere. The reporting obligations of the Act include the assessment of vulnerability to forced and child labour as well as mitigation and remediation measures. PRPA recognizes that reporting will enhance awareness of oppressive labour practices and is vital to their eradication.

PRPA is committed to compliance with the Act and respectfully submits this report in conformance and in support of Canada’s effort to combat forced labour and child labour internationally.

Sincerely,
PRINCE RUPERT PORT AUTHORITY

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Shaun Stevenson, MBA
President & CEO

Introduction

The *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the **Act**) received Royal Assent on May 11, 2023 and came into force on January 1, 2024. The Act aims to reduce the use of forced labour and child labour within organizations doing business in Canada. To that end and in compliance with the Act, PRPA is completing a focused review of its activities and supply chains to identify areas potentially vulnerable to oppressive labour practices and develop mitigation measures to reduce such vulnerability.

The stated purpose of the Act is to implement Canada's international commitment to contribute to the fight against forced labour and child labour through the imposition of reporting obligations on government institutions and entities producing, purchasing, or distributing goods in Canada or elsewhere. PRPA is a government institution as defined in the Act must satisfy the reporting requirements prescribed in Part 1 of the Act, which are the basis of the form and content of this report. In accordance with the Act, this report considers PRPA's activities for the previous financial year, more specifically January 1, 2024 to December 31, 2024.

PRPA Structure

PRPA is a Canada Port Authority (**CPA**) established by Letters Patent issued by the Minister of Transport, with the approval of the Governor-in-Council, pursuant to Section 8 of the *Canada Marine Act* (**CMA**). PRPA's Letters Patent (**LP**) outline PRPA's governance, major activities and powers, and set out the lands and waters under its management. PRPA is a federally incorporated, autonomous, non-share corporation expected to be self-sufficient and operates independently from the federal government but within the parameters of the CMA and its Letters Patent.

PRPA is structured and operated in a manner similar to most commercial enterprises. It is governed by a Board of Directors and employs a President and CEO, and a complement of management and support staff based in offices located in Prince Rupert and Vancouver.

PRPA Activities

Part 6 of the Act cites production, purchasing and distribution of goods as the subject of reporting. PRPA's core activities focus on shipping and navigation and include facilitating the safe transportation of goods and passengers. PRPA also carries out non-core activities to support port development and operations such as borrowing and land acquisition. Although permitted within the scope of the CMA and LP, at this time PRPA is not engaged in the distribution of goods; therefore, for the purposes of the 2024 reporting period, this report will focus on the purchase of goods and services required to support day to day operations and that activity is the subject of review for this reporting period.

Supply Chain

Supply chains applied to the reporting requirements include the acquisition of goods and services related to the promotion, development and maintenance of port lands and assets. Generally, this includes:

- engagement of professional consulting services, representing approximately 12% of PRPA's total annual expenditures;
- purchase of goods and services related to operating and administrative expenses representing approximately 17% of PRPA's total annual expenditures; and
- purchase of goods and services related to repairs and maintenance representing approximately 3% of PRPA's total annual expenditures.

Policies and Due Diligence Processes

PRPA's normal practice is to acquire goods and services within Canada where laws are in place to protect against exploitive labour practices. On occasion, PRPA may source goods or services from outside Canada; however, in such cases procurement is typically from areas where similar laws are in place. In addition to existing legislation, PRPA has policies in place to consider the practices and activities of its vendors. The following list is not exhaustive but is indicative that mechanisms are in place to minimize exploitive labour practices.

- PRPA is subject to the Canada Labour Code and related regulations. PRPA's tenants and operators are subject to applicable provincial labour codes and related regulations;
- PRPA Letters Patent, Article 11 – Federal Obligations requires the PRPA to comply with all obligations applicable to the Authority arising under any international agreement, convention, or arrangement or any federal-provincial agreement to which His Majesty is a party. Examples of international human rights treaties ratified by Canada include:
 - Convention of the Rights of the Child
 - Forced Labour Convention, 1930
 - ILO Convention 182 on the Worst Forms of Child Labour and its accompanying Recommendation 190
 - ILO Convention 29 on Forced Labour and its Protocol of 2014
 - North American Agreement on Labour Cooperation
- PRPA's Procurement Policy requires the acquisition of goods and services to be in accordance with applicable legislation and trade agreements.
- PRPA's Integrity Assurance Policy, ensures employees have a protected path to report observed or suspected wrongdoing to appropriate authorities through a third-party whistleblower reporting service provider.

Risks in Supply Chain

PRPA's acquisition of most goods and services is within Canada, where there are enacted laws against forced and child labour. On occasion, PRPA may source goods or services from outside Canada, and in such cases, procurement is typically within North America where similar laws are enacted. With that being the case, risk of forced and child labour within PRPA's supply chains is deemed to be low. PRPA does acknowledge that indirect risks related to the procurement of some goods may exist. Some examples include:

- Purchase of assembled goods where components of final products are manufactured in areas known for lenience to oppressive labour practices; and

- Purchase of goods where raw materials (e.g. ores, minerals, metals) are sourced from areas known for lenience toward oppressive labour practices.

In addition to the risk of violation of laws and policies, operational risk exists through potential loss of services or acquisition of goods through a shutdown of providers outside of Canada. PRPA acknowledges this risk and is working to finalize a process to analyze existing vendors to mitigate such risk.

Mitigation Measures Taken

Vendor Risk Assessments

PRPA has commenced exploring opportunities to have online retailers filter procurement options for PRPA to avoid acquiring goods from areas vulnerable to forced or child labour as defined within the Act.

Vendor Due Diligence

PRPA has incorporated into its standard contract language requiring service providers to actively assess and address risks of modern slavery practices in the operations and supply chains used in the provision of services to PRPA.

Contracting

PRPA requires contractors to confirm that supply chains have been reasonably reviewed and that no evidence of forced or child labour was detected, and that the contractor has not been convicted of, and is not the subject to, any investigation involving forced or child labour, all as defined within the Act.

Vendor Performance Management

PRPA has incorporated into its standard contract language, the requirement that contractors shall not employ or use any form of forced or child labour in violation of applicable laws.

Training

PRPA is working to develop a training and awareness program for staff for implementation upon completion of the changes to its procurement system.

Risk Assessment and Management

Prior to this reporting period, PRPA engaged consulting services to provide insight into risk assessment and management. During the current reporting period PRPA undertook a review its procurement system, targeting improvements related to internal accountability and efficiency; however, PRPA maintains its commitment to achieve the aims of the Act. To that end, assessment and management of supply chain risk will be addressed the revised procurement practices and procedures.

Remediation Measures

PRPA knows of no reported or suspected oppressive labour practices in its supply chains. Consequently, no remediation measures have been implemented in the current reporting period.

Remediation of Loss

PRPA has no formally adopted policy or protocol to respond to losses related to oppressive labour practices in its supply chains.

Consistent with previous comments, PRPA acknowledges the aims of the Act and is committed to further its work so circumstances or events that may result in loss will be recognized, and appropriate responses can be implemented.

Training and Awareness

PRPA's Board of Directors and executive management team have been informed of aims of the Act and PRPA's corresponding obligations. As noted previously, PRPA's procurement practices and procedures were under review and revision in the current reporting period. Accordingly, training and awareness activities have been deferred until procurement practices and procedures have been approved and finalized.

Effectiveness Assessment

In the absence of reported or suspected oppressive activities resulting in loss or requiring remediation during this reporting period, the effectiveness of efforts to date cannot be assessed. As noted previously, PRPA maintains its commitment to loss remediation where applicable, and the development of training and awareness programs once procurement procedures and practices are finalized and formally approved.

Next Steps

In furtherance of its commitment to fight against forced and child labour in supply chains, PRPA has identified the following areas for consideration and possible actions in support the aims of the Act.

Vendor Risk Assessments

- Monitor labour developments to maintain awareness of markets, goods, and services vulnerable to oppressive labour practices.
- Filter online procurement options to minimize the potential of acquiring goods from areas with a higher potential for oppressive labour practices.

Vendor Due Diligence

Monitor contracts for compliance with requirements to ensure no form of child or forced labour is used in the provision of services.

Contracting

Develop a monitoring framework where contract managers confirm adherence to the anti-slavery provisions of PRPA's procurement system.

Vendor Performance Management

- Monitor contract compliance related to forced and child labour.
- Review contract language and contractor responses to identify potential gaps, and revise wording if required to strengthen anti slavery requirements.

Training

Deploy related training and awareness program to staff.

Closing Note

The list of areas of consideration and possible actions shown above is preliminary at the writing of this report and may vary depending on observations, policy, or legislative changes. In any event, PRPA maintains its commitment to compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* and support of Canada's objectives to combat oppressive labour internationally.